

Dear Governor Lingle:

Thank you for your letter dated August 9, providing an update on developments regarding the proposed Honolulu High Capacity Transit Corridor Project, and requesting that we share financial data with the State's independent financial consultant who is conducting a review of the project's financial plan. Your letter also asks for a response to two letters that Ms. Katherine Kealoha, Director of the State Office of Environmental Quality Control, sent to the Department of Transportation's Region 9 office on January 15, and February 18, 2010, requesting information to assist in the review of the Final Environmental Impact Statement (FEIS) for the project.

With respect to the request to share financial data, please be assured that the U.S. Department of Transportation (USDOT) is committed to conducting a thorough review of the proposed Honolulu High Capacity Transit Corridor Project's benefits, costs and financial plan before it would be considered for entry into final design. This review will be conducted in accordance with the methodology that the Federal Transit Administration (FTA) applies to all projects seeking New Starts funding and will include an examination of the funding proposed for the project to ensure that it is available and committed.

At this time, the most recent financial data that FTA has for the project is from September 2009, prior to the project's approval into preliminary engineering. FTA will share this information with the State's independent financial consultant.

In the meantime, FTA is asking the City and County of Honolulu (the City) to provide an updated cost and schedule that addresses project alignment changes and all mitigation measures included in the FEIS. FTA understands that the City will provide this information in November, which will enable FTA to conduct a risk assessment of the project. At the conclusion of the risk assessment, in the spring of 2011, the City will provide FTA with updated financial data so that the project may be considered for entry into final design. Thus, FTA anticipates that it will be able to share updated financial information with the State's independent financial consultant in February or March of 2011.

With respect to your inquiry regarding the status of the two letters sent to the USDOT Region 9 office, I sincerely regret that the office has no record of having received letters from the State Office of Environmental Quality Control. When we find the cause of this issue we will let you know and provide an immediate response. To expedite this process, it would be very helpful if the State Office of Environmental Quality Control could fax copies of the letters to the attention of FTA Regional Administrator Leslie Rogers, at fax number (415) 744-2726. In the meantime,

here is a link to a document that provides guidance on how to review a Final Environmental Impact Statement:

http://www.epa.gov/compliance/resources/policies/nepa/nepa_policies_procedures.pdf.

If I can provide further information or assistance, please feel free to call me.

Sincerely yours,

Ray LaHood